

Re: FY2008 Appropriations Special Report

Attached is the NADO News special report on the final FY2008 omnibus appropriations bill. The special report provides an in-depth analysis of the final budget levels for key federal community, economic and rural development programs as well as homeland security, transportation, workforce and social service programs. In addition, the report covers important congressional directives, report language and policy changes that guide the implementation efforts of federal agencies and departments.

HOUSING AND URBAN DEVELOPMENT

“Both the House and Senate originally included modest increases for the CDBG Formula Account, but in the end were forced to cut the program to stay within the President’s overall budget cap.”

HUD receives \$37.6 billion in discretionary budget authority, \$1.4 billion above FY 2007 and \$2.4 billion above the President’s request. Community Development Block Grant (CDBG) formula grants are provided with \$3.59 billion, roughly \$117 million under 2007 spending. The administration proposed cutting CDBG funding by \$822 million. The measure also provides \$179.8 million for individual projects funded under the Economic Development Initiative (EDI). However, the measure includes a provision cutting each individual EDI grant by two percent.

The measure provides \$1.7 billion for the HOME Investment Partnerships program, \$53 million less than FY 2007 and \$263 million under the President’s request. This includes \$50 million for housing counseling and \$10 million for the American Dream Downpayment Initiative.

Funding is provided for a number of programs that were zeroed out in the administration’s proposal, including \$17 million for Rural Housing and Economic Development (equal to FY 2007), \$10 million for brownfields redevelopment (equal to FY 2007) and \$100 million for HOPE VI public housing revitalization assistance (\$1 million over FY 2007).